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PERIODIC INTELLIGENCE REPORT ON  
SOVIET INTENTIONS AND ACTIVITIES

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JCS Declassification/Release Instructions on File

From: 20 July 1950  
To : 26 July 1950  
Assistant Chief of Staff, G-2  
Department of the Army  
Washington 25, D. C.  
27 July 1950

No. 4.

1. U.S.S.R. SITUATION AT END OF PERIOD

- a. The Soviet Union is in the advanced stages of preparation for war and could initiate offensive operations with no additional warning. Reliable intelligence on Soviet intentions to go to war in the near future is lacking.
- b. There is no reliable information that an attack on Taiwan is imminent.
- c. Recent indications point to a continuation of Soviet preparedness measures, especially in the field of stockpiling and Communist Party activities.

2. SOVIET-COMMUNIST OPERATIONS DURING PERIOD

- a. Summary.--There is no reliable information that an attack on Taiwan is imminent. Preparedness measures in Europe are continuing but there is no indication of imminent hostilities. The U.S.S.R. is intensifying efforts to secure industrial raw materials. There have been several reports of unusual Communist Party preparations.
- b. Operations of enemy component elements.
  - (1) KORFA.--See current situation reports.
  - (2) CHINA.--The shelling of Quemoy may be a preliminary to an attack on Taiwan. There is no new information on troop movements in South China. Reconnaissance has not confirmed reports of unusual concentrations of junks in Fukien.

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- (3) JAPAN.--The Soviets have not accounted for some 300,000 Japanese prisoners of war who might be utilized for an attack on Japan, but there has been no indication of a Soviet intent to attack Japan.
  - (4) GERMANY.--Airfield construction in the Soviet Zone has been accelerated and Soviet jet aircraft have been reported over the U.S. Zone. Recent troop movement into Germany has exceeded departures but there is insufficient evidence to indicate a buildup of units above peacetime strength.
  - (5) BALKANS.--There are no reliable indications that an attack on Yugoslavia, Greece or Turkey is imminent.
  - (6) GENERAL.--The U.S.S.R. has intensified its efforts to secure rubber and other strategic raw materials during 1950. There is some evidence of increased Communist preparations for sabotage and of unusual Communist Party preparations in Western countries. There have been a number of reports of Soviet and Communist activities scheduled to be completed in the fall of 1950 which may indicate a further Soviet move of some type at that time.
3. See Tab "A", attached.
4. SOVIET CAPABILITIES.--Soviet capabilities to attack Japan have increased as the result of the movement of U.S. forces from Japan to Korea. There has been no apparent change in Soviet capabilities in Europe or the Near East.

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TAB "A"

## ESTIMATE OF SOVIET INTENTIONS TO GO TO WAR IN THE IMMEDIATE FUTURE

Proceedings of the IIF Steering Committee, 26 July 1950

1. Soviet Intentions in the Far East.

a. In China, there is no reliable new evidence of Chinese Communist troop movements either northward towards Manchuria or into the Fukien area opposite Taiwan. The shelling of Quemoy may be a preliminary to an attack on Taiwan, as the Nationalist garrison there would be of some hindrance to Communist forces moving from Amoy, but it is not necessarily a preliminary action presaging an immediate attack on Taiwan. Reports of a large concentration of junks moving northward up the South China coast were not confirmed by U. S. Naval observation, although there have been recent reports of a general northward movement of junks. Aerial reconnaissance of coastal waters opposite Taiwan also failed to reveal any large or unusual concentration of junks, although this observation does not necessarily preclude a general buildup of boats along the Fukien coast. A U. S. Naval reconnaissance plane was attacked by an unidentified fighter plane over the Taiwan Strait on 25 July. The Chinese Communist radio has again reiterated the Communist intent to attack Taiwan, quoting a statement of Chen Yi, Commander of the Third Field Army, that this Army has the mission of liberating Taiwan and is intensively preparing to do so. Weather for operations in the Taiwan Strait would not be favorable after about 15 September.

b. An unconfirmed report states that a People's Liberation Government is to be established in Japan on 15 August. A previous report had stated that a Liberation Government for Japan was being established in North Korea and that several members of the Japanese Communist Party had gone to Korea. The Japanese police are at present unable to locate nine members of the Japanese Communist Politburo. The Soviets still retain some 300,000 Japanese prisoners of war who might be utilized to spearhead an attack on Japan as a "Liberation Army," but that there has been no evidence that the Soviets are training or organizing the Japanese as complete military units. Some recent reconnaissance by Soviet planes over Japan has been reported.

c. There have been a few recent and unconfirmed reports that an attack on Indo China is imminent, but there continue to be no positive indications of it. Intensified operations in Indo China may be deferred until an attack on Taiwan is under way or possibly until autumn.

d. There is little new evidence of intensified Communist activity on the Burma border, although one report has been received of

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Chinese Communist military preparations on the border. Because of the presence of Chinese Nationalist troops in Burma, an excuse for Communist intervention exists.

a. From the foregoing, it is concluded that:

(1) There is no reliable evidence that a Chinese Communist attack on Taiwan is imminent.

(2) There is no evidence of a Soviet intent to attack Japan, although Soviet capabilities to do so have been increased by the diversion of U. S. forces from Japan to Korea.

(3) Intensified military operations against Indo China and Burma do not appear to be imminent, although the Chinese Communists possess the capability for such action.

(4) There is no new evidence of a Soviet intent to employ their own forces in overt military operations in the Far East.

2. Soviet Intentions in Western Europe and the Balkans.

a. In Germany, work has been accelerated on seven large airfield runways, and it is expected that all of these will be completed by 1 October 1950. The Soviets will then have twenty airfields in Germany capable of sustaining jet fighter operations. The count of jet aircraft in the Soviet Zone of Germany is now 349, a slight increase over a month ago. During early July, there were two reported instances of the flight of jet aircraft, presumably Soviet, over the U. S. Zone, possibly for reconnaissance purposes. There has been a gradual increase in Soviet mobile radar stations in Germany and an increase in activity of these stations, probably training.

b. Available information, based on partial coverage of rail lines in Eastern Germany, indicates that the number of new Soviet troops entering Germany during May and June exceeded the number departing. It is thus possible that there has been an increase in total troop strength in Germany and that units are being brought up above peacetime strength. Present information is insufficient to accept this, however, particularly as there has been evidence of a gradual demobilisation of troops in Germany during the past several months. In Austria, there was also a somewhat larger incoming movement of troops during June than departures, but information there is also insufficient to establish that a buildup of units is occurring.

c. There is some additional evidence that Soviet reserve officers are being assigned to service in Germany which supports previous information that callups of reserve officers have been increased during recent months. Fragmentary information indicates that spring inductions in the U.S.S.R. included previously deferred personnel of the 1928 class as well as normal call-ups of the 1930 class. It is probable that some

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members of the 1931 class, which is now registered in the U.S.S.R., will be called up by the fall of 1950.



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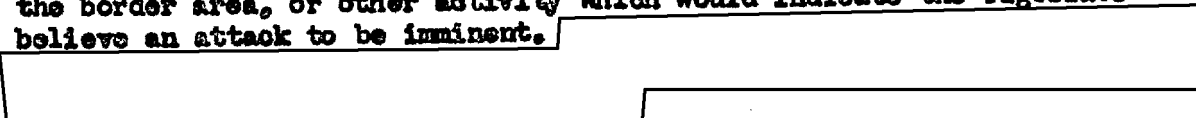
e. Investigations by the U. S. Army Attache and other Western Attaches have produced no substantiation of rumors that Soviet troops are disposed on the southern border of Hungary opposite Yugoslavia. Observations of the two Soviet divisions in Hungary continue to reveal no unusual activity or movement towards the Yugoslav border.

f. In Rumania, there is some additional, although unconfirmed, information which indicates that there have been increased military shipments into the Rumanian Banat during recent weeks, and increased arrivals of Soviet troops and equipment in Eastern Rumania.

g. There is no new information from Bulgaria of unusual troop movements. While there appears to have been a considerable amount of military movement in Bulgaria during the past several weeks, there is still no evidence that this is other than training activity. The call-up of a number of reserve officers and NCO's is established.

h. Reliable observations in Yugoslavia have not revealed a reinforcement of Yugoslav border units, evacuation of civilians from the border area, or other activity which would indicate the Yugoslavs believe an attack to be imminent.

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i. Construction has begun on double-tracking of an East-West rail line in northern Poland which will bypass Warsaw. Work is also under way in southern Poland on a principal East-West highway which will be a first-class military highway when completed. In Hungary, reliable observation indicates little additional progress since May on a new rail line in the Northeast near the Soviet and Czechoslovakian borders.

j. From the above it is concluded that:

(1) There continues to be no evidence of imminent hostilities against Western Europe, but there are continuing indications of preparations for such action.

(2) There is no new evidence of intensified preparedness for immediate military action in the Balkans.

(3) An attack in either of these areas could occur without additional warning.

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5. General Indications of Soviet Intentions.

a. Analysis of recent evidence of Soviet strategic purchases abroad indicates an intensification of efforts to procure industrial raw materials either for war stockpiling or for immediate expansion of war production. The following recent indications of this policy are in line with many similar reports received in recent months.

(1) Soviet monthly purchases of natural rubber during 1950 have exceeded monthly averages during 1949. If continued at the present rate, rubber purchases during 1950 will reach a total of 180,000 tons, as compared with an estimated annual consumption of 73,000 tons of natural rubber.

(2) A report, as yet unconfirmed, states that the British are planning to import 400 tons of nimonic alloys from the U. S. for trans-shipment to the U. S. S. R. These alloys are used in jet engine production.

(3) The reported shipment of 40,000 flasks of mercury from Spain to Israel, if confirmed, would surely indicate re-export to the U.S.S.R., as this amount vastly exceeds Israel's requirements. There were reports several months ago of Soviet efforts to procure large amounts of mercury from Spain.

b. There have been a number of recent reports of unusual Communist Party activities, including possible preparations for an intensified sabotage program.

(1) An unconfirmed report [ ] states that directions will soon be issued to Communist parties to plan for world-wide sabotage, particularly of material for the Korean war. The press has reported recent articles in Pravda to the effect that the Stockholm peace appeal is a call for action to prevent the shipments of war material. The British have stated that a recent explosion of ammunition barges at Portsmouth was the result of deliberate sabotage, and there has been one instance of amateurish sabotage of a munitions train in the U. S. Despite these attempts, however, there is no apparent planned Communist sabotage under way throughout the world as yet.

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(2) The French General Staff is cancelling its autumn maneuvers as the result of a report that there will be Communist disorders of appreciable size in France between October and December. Eighty Communist deputies of the French National Assembly have recently requested passports and some of them have reportedly also obtained Czech visas. 170 of the total of 181 Communist and fellow-travelling deputies in France now hold valid passports, although only a few have departed France. (French passports are valid for two years and are renewable.) All Communist Party leaders in France have received instructions to be back at their posts by 15 September.

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(3) A WFTU official recently stated in Finland that there is to be a world-wide boycott of U. S. shipping on 5-6 October.

(4) A recent report that the U.S.S.R. is withdrawing its funds from U. S. banks is in error. There have been no recent large withdrawals of Soviet funds in the U. S., although these funds have been gradually reduced over the past several years. A further report that Soviet funds in Europe are being transferred to Switzerland is under investigation.

c. In addition to the reports cited above, there have been some other reports during recent months suggesting that various Soviet preparations were to be completed by the autumn of 1950. In Germany, in addition to the airfield construction program, there have been reports that extensive communications facilities are to be completed this summer. The East German elections are scheduled for 15 October and would be a logical time for some new Soviet move in Germany, such as the granting of full "sovereignty" to the German Democratic Republic accompanied by renewed Soviet propaganda for a German settlement. Late summer and autumn are the normal periods for large-scale military maneuvers. The collection of the harvest, an undertaking of great economic importance to the U.S.S.R. and Eastern Europe in which troops are normally employed to assist, will be completed. There have been various reports that the U.S.S.R. is waiting for fall or winter to precipitate further hostilities, and members of the Soviet motion picture industry were reportedly informed about 1 May that party leaders believed that there was "no real danger of war with the U. S. for six months ahead."

d. It is concluded from the above that there do appear to be a number of indications of preparations which will culminate in the autumn of 1950 and which may indicate a Soviet intent to undertake additional political, subversive or military moves at that time. The evidence is not conclusive but all indications of such a timetable will be closely followed.

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